

APPENDIX A
TO MEMORANDUM IN SUPPORT OF
MOTION TO DISMISS, STAY OR TRANSFER

I. GRAMERCY HAS HAD SUFFICIENT MINIMUM CONTACTS WITH TENNESSEE FOR THE MIDDLE DISTRICT OF TENNESSEE TO EXERCISE JURISDICTION OVER IT.

A. Gramercy's tortious misrepresentation and failure to disclose material facts caused injury in Tennessee. For that reason alone, the Middle District of Tennessee has jurisdiction over Gramercy.

The Amended Complaint filed in the Middle District of Tennessee alleges that Gramercy conspired with the co-defendant, BDO Seidman, LLC to sell illegal tax shelters to numerous persons, including Messrs. Jones. *See e.g.*, Amended Complaint at ¶¶ 18, 29-36, 55-59, 73, 143-159]¹ In the course of this conspiracy, numerous misrepresentations were made to Messrs. Jones and material facts were concealed from them. [Amended Complaint, ¶¶ 86-99, 112]. Many of these misrepresentations and concealments were made by BDO acting as co-conspirator with Gramercy. [Amended Complaint, ¶¶ 76-78, 87-93, 112]. Therefore, those misrepresentations and concealments are attributable to Gramercy and Gramercy is liable for them. [Amended Complaint, ¶¶ 78, 87].

Additional facts were concealed and misrepresentations were made directly by Gramercy during a meeting in New York City. The allegations of the Amended Complaint concerning that meeting include the following:

94. In April of 2002, Messrs. Jones, Steve Solys² and Puckett (representing BDO) met with Johnston (representing Gramercy) at the offices of BDO in New York.

¹A copy of the Amended Complaint from the Tennessee Case is Exhibit 2 to the declaration of Winston S. Evans (hereinafter "Evans Declaration").

²Mr. Solys is the financial planner for Messrs. Jones.